

DISSEMINATION 4

Exploitation 7-1

*Noted by DCI - 9/18/54
DD/I - 9/14/54
D/DCI - 9/19/54*

SEP 13 1954

MEMORANDUM FOR MR. DULLES

SUBJECT: Brief on Proposed DCID 15/1 for IAC Meeting.
14 September 1954

1. On instruction of the IAC on 3 August 1954, the EIC established a working group chairmaned by the CIA and with representatives from State, Army, Navy, Air Force, and the Joint Staff to study the draft DCID 15/1 proposed on 28 June 1954. After 5 meetings, this working group presented to the EIC an agreed draft which was concurred in by the EIC with very minor revisions. It is believed that the EIC members, in taking this action, had the support of their IAC principals.

2. Prior to approval by the IAC of this draft, an addition should be made to this draft. This addition would appear on page 4 as a footnote after the first mention of Soviet Bloc on the second line of the page. This footnote defines the Soviet Bloc and reads:

"As used herein, 'Soviet Bloc' includes USSR, Communist China, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Soviet occupied portions of Germany and Austria, and Communist dominated portions of Korea and Indo-China."

The omission of this footnote in the 3 September draft is believed to have been an unintentional oversight by the EIC members. The footnote was included on page 2 of the original draft of 28 June 1954.

3. Paragraph 1 of the draft, Policies, sets forth a series of guides which are similar to those agreed to by the IAC for scientific and technical intelligence production in DCID 3/4, Revised.

4. Paragraph 2, Allocation of Primary Production Responsibilities, has six subparagraphs.

Subparagraph a. allocates production of military-economic intelligence on all foreign countries to the departments of the Department of Defense. The Services representatives on the EIC accepted, with very minor revision, the wording proposed in the draft of 28 June 1954.

Subparagraph b. allocates production of intelligence on all foreign countries to the Department of State for a "shadow zone" of subject matter which bridges the political and economic fields. The State and Services representatives feel that State should have a primary responsibility for national intelligence production in this area of strong political overlap. We also believe that this is an area of dominant State interest because of its political and sociological flavor.

Subparagraph c. clearly allocates responsibility to CIA not only for all economic intelligence on the Soviet Bloc not assigned elsewhere but also for integrated economic intelligence on the Bloc.

Subparagraph d. allocates responsibility to the Department of State for economic intelligence on all other foreign areas of the world, as suggested in the draft of 28 June 1954.

Subparagraph e., by including examples not in the original draft, greatly facilitated negotiation by clarifying to all concerned some of the legitimate areas of overlapping interest.

Subparagraph f. is added because most of the EIC members felt strongly that the EIC has a direct interest in the allocation of responsibility for the production of basic economic intelligence contributory to the NIS Program.

5. While the intent of paragraph 3 of the original draft of 28 June 1954 has been retained in paragraph 3 of the current draft, a substantive addition is the statement that the EIC will be responsible for assuring that the provisions of this directive are carried out as effectively as possible.

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OAD/RR/OEGuthe:amm
(13 September 1954)

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